

Message Text

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PAGE 01 STATE 229994

21

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FM SECSTATE WASHDC

TO AMEMBASSY LIMA

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E.O. 11652: N/A

TAGS: APUB, PE

SUBJ: PRESS RELEASE ON EXIMBANK CREDIT TO PERU

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE DIRECT CREDITS TOTALLING DOL 1,939,475 TO PERU. RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE IN WASHINGTON, D.C. FOR AM PAPERS, WEDNESDAY, OCT 30, 1974.

QUOTE: TWO EXIMBANK CREDITS TOTALLING DOL 1,939,475 SUPPORT US SALES TOTALLING DOL 4,383,000 TO PERU

TO SUPPORT US SALES TOTALLING DOL 4,383,000 TO PERU, THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES HAS AUTHORIZED TWO DIRECT CREDITS TOTALLY DOL 1,939,475 ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY.

ONE EXIMBANK CREDIT OF DOL 1,380,600 WILL FINANCE 45 PERCENT OF THE TOTAL US COSTS OF DOL 3,068,000 FOR TWO LEARJET 25-B
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PAGE 02 STATE 229994

AIRCRAFT, SPARE PARTS AND RELATED SPECIAL EQUIPMENT AND SERVICES

FOR USE OF THE PERUVIAN MINISTRY OF AERONAUTICS IN AERIAL SURVEY AND TOPOGRAPHIC WORK. EXIMBANK WILL ALSO PROVIDE A FINANCIAL GUARANTEE OF A CREDIT OF DOL 1,380,600 FROM MANUFACTURER HANOVER OF NEW YORK, TO FINANCE ANOTHER 45 PERCENT OF THE US COSTS. THE OBLIGOR, BANCO DE LA NACION, FISCAL AGENT OF THE PERUVIAN GOVERNMENT, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE US COSTS OF 10 PERCENT OR DOL 306,800.

THE LOANS ARE TO BE REPAID IN 14 SEMIANNUAL INSTALLMENTS BEGINNING MAR 5, 1975. EXIMBANK'S DIRECT CREDIT OF DOL 1,380,600 WILL BE REPAID OUT OF THE LAST 7 INSTALLMENTS AT AN INTEREST RATE OF 7 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT FROM PRIVATE SOURCES RESULTS IN AN INTEREST COST TO THE BORROWER, BASED ON CURRENT RATES, OF ABOUT 8.7 PERCENT TO 8.95 PERCENT PER ANNUM.

THE OTHER EXIMBANK CREDIT IS FOR DOL 558,875 AND WILL FINANCE 42.5 PERCENT OF THE TOTAL US COSTS OF DOL 1,315,000 FOR AIRCRAFT RAMP SERVICE EQUIPMENT FOR VARIOUS PERUVIAN AIRPORTS. EXIMBANK WILL ALSO PROVIDE A FINANCIAL GUARANTEE OF A CREDIT OF DOL 558,875 FROM UNITED CALIFORNIA BANK OF LOS ANGELES, TO COVER ANOTHER 42.5 PERCENT OF THE US COSTS. THE OBLIGOR, CORPORACION PERUANA DE AEROPUERTOS Y AVIACION COMERCIAL (CORPAC), A DECENTRALIZED AGENCY OF THE PERUVIAN GOVT, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE US COSTS OF 15 PERCENT OR DOL 197,250.

US PURCHASES WILL COVER A WIDE VARIETY OF ITEMS WHICH WILL INCLUDE TRUCKS, TRACTORS, AND AIR CONDITIONING SERVICING UNITS FROM A LARGE NUMBER OF US SUPPLIERS.

THE LOANS ARE TO BE REPAID IN 10 SEMIANNUAL INSTALLMENTS BEGINNING MAR 5, 1975, EXIMBANK'S CREDIT OF DOL 558,875 WILL BE REPAID OUT OF THE LAST 5 INSTALLMENTS AT AN INTEREST RATE OF 7 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT FROM THE PARTICIPATING BANK RESULTS IN AN INTEREST COST TO THE BORROWER, BASED ON CURRENT RATES, OF ABOUT 8.8 PERCENT TO 9.10 PERCENT PER ANNUM. REPAYMENT OF ALL LOANS IS TO BE GUARANTEED BY CORPORACION FINANCIERA DE DESARROLLO. UNQUOTE UNCLASSIFIED

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PAGE 03 STATE 229994

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